(b) No, Sir.

(c) Does not arise.

Statement

Release of Central Assistance to KBK Districts of Orissa during 1996-97 under Various Schemes (Rs. in Lakhs)

Scheme	1995-96	1996-97
EAS	3610.00	3080.00
JRY*		2460.72
IAY	6324.06	1456.73
MWS		571.23
IRDP	819.62	410.50
DWCRA	73.18	26.46
DPAP	230.33	—
TOOLKITS	85.86	7.10
NSAP		500.10
TRYSEM	43.46	23.44
WATER SUPPLY	1145.01	1463.18
TOTAL	12331.52	9999.46

*IAY and MWS were sub-schemes of JRY during 1995-96.

Resale of Oil Exploration and Development Blocks by Awardee Companies

1361. SHRI KRISHNA KUMAR BIRLA: Will the PRIME MINISTER be pleased to state:

(a) whether it is a fact that the oil exploration and development blocks awarded by Government to small and medium companies are being sold by them at a premium;

(b) if so, the number of cases in which the oil exploration and development blocks have been resold by the allottee companies;

(c) the considerations which weighed with Government to award the oil exploration and development blocks to these companies and the conditions, if any, on which contracts were awarded and

(d) what action has been taken by Government for the resale of awarded oil exploration and development blocks by these companies?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI T.R. BAALU): (a) and (b) Government is not aware of such selling by companies. However, the contracts provide for assignment or transfer of a part or all of its participating interest by companies with approval of Government. In the case of KG-OS-90/ block such re-assignment/transfer has been allowed by Government.

(c) The reasons for offering the oil exploration blocks and discovered oil and gas fields for private participation include:

(i) Marginal economics of some of the fields.

(ii) Low reserves of the small fields offered.

(iii) To augment total investment in exploration and development.

(iv) To help augment the oil/gas production by way of quickly putting these fields on production.

(v) For the application of enhanced oil recovery processes.

(vi) To induct the latest managerial and technological practices.

The salient terms and conditions on which exploration blocks and discovered oil & gas fields have been awarded are as under:—

The contracts of exploration blocks are Production sharing contracts with a contract period in case of crude oil and associated gas, of upto 25 years. Companies are exempted from payment of bonuses and statutory levies. The Government of India would have the first right of refusal in respect of the oil produced under these contracts, with companies being paid for their share of oil at international prices. Provision for participation by ONGC/OIL in the venture at the exploration and/or the development stage has been made and ONGC/OIL can take a participating interest of 30% to 40% in the venture.

Provisions have also been made for the development of commercially exploitable natural gas resources.

The medium-sized fields would be developed through joint ventures between Oil & Natural Gas Corporation Ltd. (ONGCL)/Oil India Limited (OIL) on the one hand and the private companies on the. other. ONGC/OIL would take a 40% share in the venture. The small-sized fields would be developed by companies on their own, with no participation by ONGC/OIL, under production sharing contracts to be signed by the companies with the Government of India. In both cases, companies would also be required to bear their share of statutory levies like royalty, cess, etc. Foreign companies involved in oil exploration would be levied income-tax at a fixed rate of 50% while Indian companies would be governed by the relevant provisions of the Income-Tax. In addition private companies would share profit oil with the Government.

(d) Does not arise in view of (a) above.

Seismological observatories to forecast earthquakes in Maharashtra

1362. MISS SAROJ KHAPARDE: Will the Minister of SCIENCE AND TECHNOLOGY be pleased to state:

(a) whether Govt, have established seismological observatories in various parts of Maharashtra to forecast earthquakes in the state;

(b) if so, what are the details thereof;

(c) whether Govt. have planned to establish more such observatories in the State; and

(d) if so, what are the details thereof?

THE MINISTER OF STATE OF THE MINISTRY OF PLANNING AND PROGRAMME IMPLEMENTATION AND MINISTER OF STATE OF THE MINISTRY OF SCIENCE AND TECHNOLOGY (SHRI YOGINDER K. ALAGH): (a) and (b) There is no scientific technique available to forecast earthquakes with a reasonable degree of accuracy. However, the Government have established a number of seismological observatories in Maharashtra to monitor seismic activity. India Meteorological Department is maintaining six of them at Pune, Latur, Karad, Akola, Nagpur and Bombay. Other Governmental agencies like Maharashtra Engineering Research Institute and National Geophysical Research Institute are also operating a number of observatories in Maharashtra.

(c) and (d) Yes, Sir. Two clusters of observatories are planned to be established in Koyna and Latur regions in the near future.

Direct Foreign Investment in the Hydrocarbon Sector

1363. DR. D. VENKATESHWAR RAO: Will the PRIME MINISTER be pleased to state:

(a) whether the Ministry of Petroleum and Natural Gas has called for a stable liberal policy for next 12 to 15 years to encourage direct foreign investment in the hydrocarbon sector;

(b) whether any regulatory body to oversee conjunction has been formed;

(c) if so, what would be the main purpose of this regulatory body;

(d) whether the Ministry has also proposed total reform package and the time schedule for introduction of different stages of reforms to be announced so that investors are aware of the expected returns; and

(e) if so, whether any concrete action programme in this regard is being worked out?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI T.R. BAALU): (a) The Government's policy to encourage private investment in the petroleum sector in the last few years has resulted in award of 20 exploration blocks and 30 medium and small size fields for exploitation to the private sector. Many